MINUTES - REGULAR MEETING
SANTA MARIA CITY COUNCIL

CITY HALL COUNCIL CHAMBERS
SANTA MARIA, CALIFORNIA

SEPTEMBER 18, 2012

INVOCATION:
Pastor Jim Schettler of First Baptist Church gave the invocation.

PLEDGE OF ALLEGIANCE TO THE FLAG:
Councilmember Cordero led the Pledge of Allegiance.

ROLL CALL:
MEMBERS PRESENT
Councilmembers Boysen, Cordero, Orach, Patino and Mayor Lavagnino.

STAFF MEMBERS PRESENT
City Manager Haydon, City Attorney Trujillo, City Librarian Housel, Interim Police Chief Martin, Fire Chief Orr, Director of Recreation and Parks Posada, Director of Utilities Sweet, Director of Administrative Services Visé, Director of Public Works/City Engineer Whitehead, Deputy City Manager Lara, Community Programs Manager Coelho-Hudson, and Chief Deputy City Clerk Garietz.

1. PROCLAMATIONS/PRESENTATIONS:

A. "ALZHEIMER'S ACTION DAY"
Mayor Lavagnino read a proclamation declaring September 21, 2012, as "Alzheimer's Action Day" in the City of Santa Maria, and recognized the individuals, families, friends and caregivers dealing with the devastating effects of Alzheimer's disease, and the educational programs and support services provided by The Alzheimer's Association, California Central Coast Chapter. The proclamation was accepted by Gary Rose, Volunteer Walk Manager from the Alzheimer's Association, California Central Coast Chapter.

B. "RESTORING COMPASSION TO OUR COMMUNITY"
Councilmember Patino read a proclamation declaring "Restoring Compassion to our Community" in the City of Santa Maria, and encouraged a positive appreciation of cultural diversity, to cultivate an informed empathy toward others, even those regarded as our enemies. The proclamation was accepted by Janice Bellucci from the Won Heart Organization.

C. "CONSTITUTION WEEK"
Councilmember Cordero read a proclamation declaring September 17 – 23, 2012, as "Constitution Week" in the City of Santa Maria, and asked our residents to reaffirm the ideals the Framers of the Constitution had in 1787. The proclamation was accepted by Tami Bodenwilken, Daughters of the American Revolution.

D. "NATIONAL ALCOHOL AND DRUG ADDICTION RECOVERY MONTH"
Councilmember Boysen read a proclamation declaring the month of September 2012, as "National Alcohol and Drug Addiction Recovery Month" in the City of Santa Maria, and encouraged all residents to unite with this year's theme "Join the Voices for Recovery: It's Worth It," by supporting men, women and youth who are in drug and alcohol addiction treatment and recovery, along with their families. The proclamation was accepted by Christie Alarcon and Sylvia Barnard from the Good Samaritan Shelter.

E. "ARTS AND HUMANITIES MONTH"
Councilmember Orach read a proclamation declaring the month of October 2012, as "Arts and Humanities Month" in the City of Santa Maria, and encouraged Santa Maria residents to actively participate and reflect on the importance of arts and humanities as a part of our local and national culture and called upon all residents to celebrate, promote, and participate in the arts through the numerous avenues available within our community. The proclamation was accepted by Craig Schafer, President of the Santa Maria Arts Council.

F. VOLUNTEER OF THE MONTH
Mayor Lavagnino presented a gift to Altrusa International Inc. of Santa Maria for their commitment to the senior citizens and others in the community. Monya Davison, President of Altrusa International Inc. of Santa Maria accepted it on behalf of the organization.

2. PUBLIC COMMENT
Mark Rademaker spoke about Constitution Week and his religious beliefs.

3. CONSENT CALENDAR

Councilmembers Boysen and Orach indicated that they had a conflict and would be abstaining from voting on Item 3C, Payment of Warrants.

Councilmembers Cordero, Patino, and Orach each asked that Items 3E and 3G be pulled for comment.

Councilmember Boysen asked to comment on Item 3E only.

Item 3E - Inter-fund Loan Agreement

Councilmember Cordero commented that the City was not making changes to the retirement plan. It was refinancing the outstanding side-fund obligation to PERS which will save the City approximately $3 million. The City will also collect interest at 3 percent. He indicated that the loan would be paid off in 10 years, instead of 15 years, if the City does not refinance the side-fund loan.

Councilmember Orach commented that staff has really done an amazing job to find ways like this one to save the City money.

Councilmember Patino complemented staff on their work. The money saved will help the City in the long run.

Councilmember Boysen commented that the refinancing and inter-fund loan agreement was a win-win situation. The City has a 7 percent interest obligation that can be refinanced down to 3 percent. The City has funds in the Solid Waste account that are being set aside for the landfill closure. It receives approximately 1.5 percent interest, and now the City will receive twice the yield on the funds at 3 percent interest.

City Manager Haydon thanked the work of the Investment Oversight Committee which includes Councilmember Boysen and Director of Administrative Services Visé.

Item 3G – Notice of Contract Completion, Fire Station No. 5

Councilmember Cordero asked for clarification on the funding sources as two figures were identified.

City Manager Haydon clarified that the $3.5 million in funding sources coming from Growth Mitigation fees, General Capital Project fees, Measure D funds, and ARRA Federal Stimulus funds. The construction costs, including change orders, totaled approximately $2.4 million. There was a difference of approximately $1 million. The ARRA Federal Stimulus funding totaled $2.3 million. The remaining $100,000 will come from Measure D funds.

Councilmember Orach asked Fire Chief Orr to give an overview of the staffing at Fire Station No. 5 at this time.

Fire Chief Orr provided an overview of how Fire Station No. 5 was being staffed at night only with firefighters from Fire Station No. 4 until more firefighters could be trained. He also reviewed call volumes for Fire Station No. 3 versus Fire Station No. 4, and indicated that he was looking to spread the workload over revised station district lines. Fire Chief Orr also stated that 10 new firefighter recruits were starting the academy on September 24. They will orient for 8 weeks; and by November 17th, Fire Station No. 5 will be fully staffed and running with Fire Station No. 4 back in full operation as well.

Councilmember Patino indicated her questions were answered by Fire Chief Orr.

Consent Calendar Item 3C was approved on motion by Councilmember Cordero, seconded by Councilmember Patino, and carried on the following vote:

AYES:	Councilmembers Cordero, Patino, and Mayor Lavagnino
NOES:	None
ABSENT:	None
ABSTAIN:	Councilmembers Boysen and Orach

Consent Calendar Items 3A through 3H (except 3C) were approved on motion by Councilmember Cordero, seconded by Councilmember Boysen, and carried on the following vote:

AYES:	Councilmembers Boysen, Cordero, Orach, Patino, and Mayor Lavagnino
NOES:	None
ABSENT:	None
ABSTAIN:	None

A. ORDINANCES.
The reading in full of all ordinances and resolutions was waived. Ordinances on the Consent Calendar were adopted by the same vote cast at the first reading unless City Council indicated otherwise.

B. MINUTES.
The Minutes of the Regular City Council Meeting of September 4, 2012, were approved as submitted.

C. WARRANTS.
Warrant Nos. 174905 to 175157 totaling $2,574,530.32 were ordered ratified subject to having been certified as being in conformity with the budget and having been approved for payment by the Director of Administrative Services. Warrant Nos. 167747, 167944, 173613, 174481, and 175026 were cancelled.

D. PAYROLL.
Payment of payroll was ordered ratified subject to having been certified by the proper Department Heads, as shown on records on file in the Department of Administrative Services and having been approved for payment by the Director of Administrative Services.

E. INTERFUND LOAN AGREEMENT.
The City Council adopted a resolution authorizing the Director of Administrative Services to enter into an inter-fund loan agreement between the Solid Waste Collection Enterprise Fund and the General Fund up to a loan amount of $5,609,000 to refinance the City of Santa Maria's (City) outstanding side fund obligation to the California Public Employees Retirement System (PERS).

Resolution No. 2012-110 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, AUTHORIZING THE DIRECTOR OF ADMINISTRATIVE SERVICES TO ENTER INTO AN INTER-FUND LOAN AGREEMENT BETWEEN THE SOLID WASTE COLLECTION ENTERPRISE FUND AND THE GENERAL FUND TO REFINANCE THE OUTSTANDING SIDE FUND OBLIGATION TO THE CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS) THAT RELATES TO THE CITY'S FIRE SAFETY PLAN.

F. ALCOHOLIC BEVERAGE LICENSE.
The City Council made a determination that public convenience would be served in the matter of the issuance of a Type 20 (Off-Sale Beer and Wine) alcoholic beverage license for the sale of packaged beer and wine at Super Carniceria La Chiquita, 1000 West Main Street, SP-2012-0032, and thereby surrender their existing Type 21 (Off-Sale General) [Beer, Wine and Distilled Spirits] alcohol beverage license.

G. NOTICE OF CONTRACT COMPLETION – BID NO. 2011/04.
The City Council accepted the public improvements and approved the Notice of Contract Completion for Northeast Fire Station No. 5, Bid No. 2011/06, and directed the Chief Deputy City Clerk to record the Notice.

H. AGREEMENT FOR PREPARATION OF OPEN SPACE MANAGEMENT PLAN
The City Council adopted a resolution approving an agreement with MNS Engineers, Inc., for Professional Services for preparation of the open space management plan and other services for the Santa Maria Integrated Waste Management Facility (IWMF) at Los Flores Ranch.

Resolution No. 2012-111 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, APPROVING THE AWARD OF PROFESSIONAL SERVICES AGREEMENT FOR THE OPEN SPACE MANAGEMENT PLAN AND OTHER SERVICES FOR THE SANTA MARIA INTEGRATED WASTE MANAGEMENT FACILITY (IWMF) AT LOS FLORES RANCH.

REGULAR BUSINESS:

4. COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUNDS FOR YOUTH SERVICES.
Community Programs Manager Coelho-Hudson gave a presentation as detailed in the written Council Agenda Report. As part of the public hearing for the City's 2012-14 Budget, the City Council discussed allocating CDBG funding to youth organizations. At that meeting, the Mayor suggested that staff and the Block Grants Advisory Committee (BGAC) recommend some options for the Council to consider. There was a consensus of the Council to submit this matter to the BGAC for their guidance and to provide a recommendation to the Council at a later time. Part of the direction from the Council to staff and the BGAC was to address what constitutes a youth program. An Ad Hoc Rules Subcommittee was formed made up of four committee members, Robert Dickerson, Karen Cordary, Sandra Bierdzinski, and Bob Doyle, which developed and proposed four recommendations to fulfill the request of the City Council. The recommendations were that: 1) the second bullet point of Priority 2 of the current Community Development Block Grant/HOME priorities to "prevent juvenile delinquency and divert at-risk youth from grant involvement, crime, substance abuse, family violence, school problems, and out-

of-control behavior" be moved as a bullet point under Priority 1; 2) the title for Priority 1 of the Community Development Block Grant/HOME priorities for future Fiscal Year 2013-14 funding be changed to add the wording "at-risk youth" and would read "Prevent homelessness and address critical emergency, at-risk youth and special needs" in an effort to reflect the amended focus; 3) the designation of youth be considered as all those under the age of 18 years; and 4) restrict the amount of CDBG public service funds allotted to any single organization, its subsidiaries and/or funds flowing from a partner recipient to no more than 10 percent of the calculated funds available under the public service category. "Partner recipient" was defined as an organization that will receive CDBG funds and plans on paying a portion of those funds to another entity that will receive CDBG public service funds in the same fiscal year through the grant application process. The Foodbank of Santa Barbara County was excluded from the guidelines and limitations outlined in recommendation #4 because it did not provide direct assistance to individuals, but rather provided food to nearly 70 non-profit member agencies. The Foodbank does not partner nor contract with any other agency to provide services to individuals. The recommended change will allow for youth-serving agencies to be moved up to the priority one category where they could compete with other priority one agencies.

Mayor Lavagnino recognized the Block Grants Advisory Committee members present and thanked them for their service on the Committee.

Terri Zuniga spoke in opposition to the recommendations of the Block Grants Advisory Committee and its changes to the priorities regarding future youth funding allocations. Her concerns were that the non-profit agencies already have shrinking budgets; and with the recommended changes, the pool of funding would be even smaller for these agencies. She stated that in these tough economic times, it was a constant balance to prioritize these agencies and their needs.

Sylvia Bernard, Executive Director of Good Samaritan Shelter, spoke about the 10 percent funding cap to any one agency that was recommended by the Block Grants Advisory Committee. She urged the Council not to support it, and indicated that proportionately, Good Samaritan Shelter received the least amount of CDBG funding than other shelter system on the Central Coast. She commented that the future impact of the 10 percent cap and the change in priorities could be devastating on the homeless which includes homeless children.

Robert Dickerson, Chairman of the Block Grants Advisory Committee, explained how the Block Grants Advisory Committee came up with the recommendations. He indicated that the Ad Hoc Rules Committee came up with the recommendations. The Committee worked to get the at-risk youth category higher up on the priority scale. Priority 1 had predominately received all of the funding, and it was very tough for the Committee to justify funding a Priority 2 when there were still grant requests in Priority 1. There had been discussion among Committee members about setting a flat dollar amount versus assigning a percent allocation. Any grant application written for the Priority 1 category would be funded regardless of the quality of the grant application as compared to other grant applications. A system was devised to allow more opportunities for the at-risk youth to obtain grant funding, but not lock the Committee in to providing funds. The criteria will become more competitive. Organizations that provide services to at-risk youth are going to be able to submit grants and have a better opportunity to receive funding. Mr. Dickerson indicated that the application process would become more competitive in the Priority 1 category, and the Committee wanted to ensure that the programs funded were healthy. Placing a 10 percent funding cap on the grants forces the Committee to spread the funds around. He stated that the 10 percent funding cap also sends a message to the non-profits that the CDBG funding is not the "be-all-to-end-all" with the organizations' financing, and that they will need to continue looking for other funding sources outside of the CDBG funding to manage their programs.

Councilmember Boysen asked Mr. Dickerson which agencies would be moved up into the Priority 1 category in the funding process.
Mr. Dickerson responded that when he looked through the grant applications list there were three or four grants that would have a shot in the Priority 1 category.

Councilmember Boysen indicated that some funding was provided for at-risk youth programs to Santa Maria Youth and Family Center and PLAY.

Community Programs Manager Coelho-Hudson responded that the Santa Maria Youth and Family Center and the North County Rape Crisis Child Protection Center receive funding under Priority 1 for their prevention and education services in the schools and advocacy and counseling for victims. They would also meet the criteria for the at-risk youth.

Councilmember Cordero asked for clarification that with the 10 percent cap only one applicant would be affected from the last funding cycle. He indicated that he had received a call from an individual who felt that the Committee would be taking funding away from families.

Mr. Dickerson responded that the 10 percent funding cap would give existing agencies a realistic impression of what the Committee was looking for and would limit the Committee's scope. It would also eliminate the false sense or expectation that if an agency submitted an application for a higher amount, it would be funded at a shaved-down amount. Under the new recommendations, an agency would now simply submit the application for the maximum 10 percent funding amount. Mr. Dickerson explained how families not living in shelters would receive funding now that were not previously assisted with CDBG funds.

City Council Discussion

Councilmember Cordero commented that it was important to point out that there were youth organizations in the City that received CDBG funding that do not address at-risk youth, such as the Maldonado Center. He indicated that he was in favor of the recommendations of the Block Grants Advisory Committee because the City might be able to save some of the kids that may be rejected and keep them out of the juvenile facilities.

Councilmember Orach commented that the United Way's Allocation Committee used to do the job of Block Grants Advisory Committee. He indicated that it was tough then; but in the 1980's, the United Way did not have 50 organizations asking for the same pile of money. The pot gets smaller, and all agencies are faced with the same ordeal because of State funding cuts. Councilmember Orach stated that the proposal was not supposed to provide for prevention, but rather for remediation.

Councilmember Patino commented that she had a passion for the youth, and believed that the football clubs, church groups, 4-H and FFA divert kids from being at-risk. She discussed that of the Santa Maria-Bonita School District's 15,000 students, 6,000 students were fed breakfast, 12,800 students received lunch, and 1,700 students received dinner. She commented that she did not know the schools were feeding the students. When money is provided to these agencies, they are better able to leverage funds from other grants and other agencies. She spoke about various programs in the City from racing, reading programs, and retreats for at-risk youth, and stated that if the kids were not able to be exposed to these types of programs, they may never find their way out of homelessness.

Councilmember Boysen commented that each year he continues to see funding for public services decrease. He commended the Block Grants Advisory Committee for their hard work. The demand for specific services to assist working families living in poverty who are in need of food, shelter, clothing, health care, or safety on an emergency basis is expanding. Every agency that is providing these services is doing more with less. He stated that by expanding the CDBG pie to include more categories was not going to help those individuals or those agencies that were already addressing the primary Priority. It was necessary to address the at-risk youth with Measure U2012 funding by increasing community policing and a presence on campuses. Councilmember Boysen also indicated that he was concerned about making any changes to priorities that may change the consolidated plan that was filed with HUD. The County of Santa Barbara was in the process of being audited by HUD on their HOME funding. He cautioned against making any change until the City was sure that HUD would be comfortable with the change in priorities.

Resolution No. 2012-112 was adopted approving the Block Grants Advisory Committee's recommendation for options to allocate future Community Development Block Grant (CDBG) funds to youth services on motion by Councilmember Patino, seconded by Councilmember Orach, and carried on the following vote:

AYES:	Councilmembers Cordero, Orach, Patino, and Mayor Lavagnino
NOES:	Councilmember Boysen
ABSENT:	None
ABSTAIN:	None

Resolution No. 2012-112 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, APPROVING THE BLOCK GRANTS ADVISORY COMMITTEE'S RECOMMENDATION FOR OPTIONS TO ALLOCATE FUTURE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUNDS TO YOUTH SERVICES.

CITY MANAGER'S REPORT

City Manager Haydon reported on items anticipated for the October 2, 2012, Council meeting including a Consent Calendar item; and a Tax Equity and Fiscal Responsibility Act (TEFRA) of 1982 Public Hearing for the benefit of California Shock Trauma Air Rescue (CALSTAR).

ORAL REPORTS BY COUNCILMEMBERS

Councilmember Cordero reported that he attended the Law Enforcement Appreciation Dinner at the Elks Lodge, the Back-to-Youth Night at the Boys & Girls Club, the Taste of Mexico event, the Marian Foundation fundraiser dinner in San Luis Obispo County, a Swearing In Ceremony for a new Police Officer, a reading event with United Way at the high school, a Future Search meeting, a business

luncheon at the Elks Lodge, a Gang Seminar at the Chumash Casino, at the Santa Maria High School Gym watching the race team, and attended his 45th High School Reunion in Santa Barbara. He also reminded the Council and the public about the Peace Week Award luncheon at the Maldonado Center on Thursday at noon.

Councilmember Orach reported that he worked the majority of the time since the last meeting and attended some of the same events other Councilmembers attended.

Mayor Lavagnino reported that he attended the North County Sub-regional Committee meeting, the Law Enforcement Appreciation dinner, the Taste of Mexico at the Vets Memorial Building, presented a proclamation to the 99's, a women pilots organization, the Santa Maria Valley Water Conservation District Court of Appeals in San Jose, attended a Quarterly Schools meeting, the Central Coast Mayors Panel at the Madonna Inn, the Spelling Bee Contest at the Elks, and spoke at a Rotary Club meeting at the Santa Maria Inn.

Councilmember Patino reported that she attended the Casa Grande Mobile Home Park Candidate Forum, the Law Enforcement Appreciation dinner at the Elks, spoke to the retired Civil Service Chapter #1330, the Tastes of Mexico event, the 99's dedication of their garden and mural, a Transportation Committee meeting and the speaker was Interim Police Chief Ralph Martin, went to Santa Maria High School for the Reading Plus Program, the CDBG needs assessment meeting at Shepard Hall, attended the Fire Station No. 3 Patriot Day ceremony, a Quarterly Schools District and City Council meeting, the Santa Maria Education Council, the League of Women Voters candidate forum, spoke with Ben Heighes at KUHL regarding Peace Week, the Parent/Teacher Night at Santa Maria High School, and a golf tournament dinner and fundraiser in memory of her cousin, Mike Draper.

Councilmember Boysen indicated that would like to honor his mother, Cleava Boysen, this evening following her recent passing. He thanked everyone for their kind thoughts and prayers.

Councilmember Patino indicated that she would like to honor a pioneer of Santa Maria, Earl Souza, following his recent passing.

ADJOURNMENT
There being no further business to come before the City Council at this time, Mayor Lavagnino declared the meeting adjourned at 8:04 p.m. in honor of Cleava Boysen and Earl Souza.

APPROVED

September 18, 2012
Date

Chief Deputy City Clerk of the City of Santa Maria and ex officio Clerk of the City Council

Mayor Pro Tem of the City of Santa Maria

ATTEST

Chief Deputy City Clerk